



ADVOCACY ALERT



- NCPA President Bradley J. Arthur testified before the House Judiciary Subcommittee on Regulatory Reform, Commercial and Antitrust Law, and he told the lawmakers that the concentrated PBM marketplace is detrimental to both government payers and community pharmacies.
- NCPA participated in the invitation-only HHS summit on prescription drug pricing.
- NCPA's state government affairs team recently went on the road to support independent community pharmacy at the local level: attended the Lieutenant Governors Association Policy Conference in **New York** and met personally with lieutenant governors of **Arkansas, Florida, and Kansas**; testified on the PBM industry's impact on community pharmacy before a joint select committee of the **Washington** State legislature; participated in a **Virginia** Board of Pharmacy meeting on PBMs; and attended the national meeting of the National Association of Insurance Commissioners in **Maryland**.

NCPA Q&A

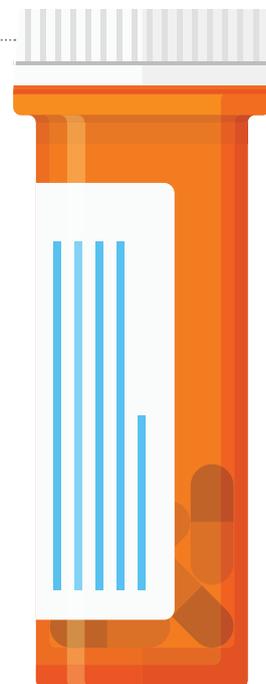
Why is the percentage of mail order prescriptions decreasing, but cost per prescription skyrocketing?

David M. Smith, chairman, Board of Directors
Indiana, Pa.



Part of that reason is due to PBMs incentivizing/directing/steering patients needing specialty medications into their mail order pharmacies. Another part is pricing. A recent AARP study found that retail prices for more than 100 widely used specialty drugs jumped by nearly 11 percent in 2013. The average annual cost of a specialty medication used on a chronic basis exceeded \$53,000.

NCPA has undertaken a number of initiatives to help independent community pharmacies understand and explore specialty drug issues. To name a few: a continuing education article in the March 2015 issue of *America's Pharmacist*, a June forum that brought together stakeholders from across the industry, and a CE program at the NCPA Annual Convention that attracted some 160 pharmacists. ■





THE **AUDIT** ADVISOR

Near 100 Percent Denial Rate for Medical Reviews of Diabetic Test Strips

Q: Our pharmacy continues to receive denials on diabetic test strips. What can we do to avoid this in the future?

A: First quarter audit results for test strips from January through April of 2015 have come down from the National Government Services medical review department with a denial rate of 98.9 percent. The top denial reasons cited by NGS were:

- No medical records submitted
- Incorrect use of modifier
- No documentation to support the specific reason for overutilization
- Proof of delivery (POD) did not include beneficiary signature
- POD did not include the delivery address

Eleven percent of the claims were denied due to documentation not being received by NGS in a timely manner.

NGS has a Policy Education Section, which includes "Dear Physician" letters, a Quick Reference guide, and other documents that may be helpful for many pharmacies struggling with getting paid for diabetic testing supplies. You can find this section about diabetic testing supplies at <http://bit.ly/paas-dts>.

By Mark Jacobs, RPh, PAAS National, (the Pharmacy Audit Assistance Service). For more information, call 888-870-7227 toll-free, or visit www.paasnational.com.



**Independent
Pharmacy
Today**



81%



52%



28%



7%



5%

Source: 2015 NCPA Digest, sponsored by Cardinal Health